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09/854,336	05/11/2001	Colin Hendrick	64482	7643

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EXAMINER
SANDERS, ALLYSON N

ART UNIT	PAPER NUMBER
2876	

DATE MAILED: 02/13/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

PTO-90C (Rev. 07-01)

Office Action Summary	Application No.	Applicant(s)
	09/854,336	HENDRICK, COLIN
	Examiner	Art Unit
	Allyson N Sanders	2876

-- The MAILING DATE of this communication appears on the cover sheet with the c rrespondence address --

Period f r Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☐ Responsive to communication(s) filed on _____ .

2a)☐ This action is **FINAL.** 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-28* is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-28* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

11)☐ The proposed drawing correction filed on _____ is: a)☐ approved b)☐ disapproved by the Examiner.

    If approved, corrected drawings are required in reply to this Office action.

12)☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

13)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a)☐ All b)☐ Some * c)☐ None of:

      1.☐ Certified copies of the priority documents have been received.

      2.☐ Certified copies of the priority documents have been received in Application No. _____ .

      3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

14)☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).

    a) ☐ The translation of the foreign language provisional application has been received.

15)☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)	4) ☐ Interview Summary (PTO-413) Paper No(s). _____ .
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)	5) ☐ Notice of Informal Patent Application (PTO-152)
3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____ .	6) ☐ Other: .

DETAILED ACTION

Claim Rejections - 35 USC § 102

1.   The following is a quotation of the appropriate paragraphs of 35

U.S.C. 102 that form the basis for the rejections under this section made in this

Office action:

> A person shall be entitled to a patent unless –
>
> (e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act

of 1999 (AIPA) do not apply to the examination of this application as the

application being examined was not (1) filed on or after November 29, 2000, or

(2) voluntarily published under 35 U.S.C. 122(b). Therefore, this application is

examined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA

35 U.S.C. 102(e)).

2.   Claims 1, 3-8, 11, 13-18, and 28 are rejected under 35 U.S.C. 102(e) as

being anticipated by Craig et al (6,260,111).

3.   Regarding claim 1, a system for managing digital rights of digital content

over a network, comprising: a data card which contains user information

including digital rights information specific to a user, the data card having a

memory component for enabling information to be stored within the data card; a

data card reader adapted to access the user information contained on the data

card when the data card is in communication therewith; a data processor in

communication with the data card reader and adapted to be connected to the

network; and an application program resident on the memory component of the

data card, the application program being configured to operated in conjunction

with a universal language for creating and controlling digital rights, to manage

user rights of the digital content available on the network based on the digital

rights information specific to the user which is contained on the data card is

disclosed.

Craig et al teaches the following in regards to claim 1:

"In another embodiment of the present invention, user information is

supplied to a network computer by storing user specific information on an access

card which includes a processor and storage. The information stored on the

access card may only be accessed through the processor of the access card so

as to provide secure data on the access card. The access card may then be

provided to a network computer and accessed to obtain user specific information

independent of the network connections of the network computer. Thus, user

specific information is provided which may be transported via the access card

independent of the network which is available to the network computer." (Col. 4,

lines 9-20).

"In particular embodiments of the present invention, the access card is a

smart card and the user specific information is encrypted user specific

information." (Col. 4, lines 21-23).

"The present invention also provides a network computer having a central

processing unit and memory operatively associated with the central processing

unit. A network interface operatively associated with the central processing unit

and an access card compatible with an access card port are also included in the

network computer. The access card includes an access card central processing

unit and access card memory operatively associated with the access card central

processing unit. An access card port operatively associated with the central

processing unit receives the access card and allows for communication with the

access card central processing unit. A power management controller,

operatively associated with the access card port and responsive to the access

card, controls the power state of the network computer." (Col. 4, lines 32-46).

4.   Regarding claim 11, a method for managing digital rights of digital content

over a network, comprising the steps of: storing user information on a data card

having a memory component, including digital rights information specific to a

user; and configuring an application program resident on the memory component

of the data card to operate in conjunction with a universal language for creating

and controlling digital rights for managing user rights of the digital content

available on the network based on the digital rights information specific to the

user which is contained on the data card is disclosed.

See Craig et al's teaching in regards to claim 1. (paragraph 3).

Additionally, Craig et al teaches that,

"This invention relates to computer systems, methods and program

products, and more particularly to personal computer and network computer

systems, methods and program products." (Col. 1, lines 7-10).

5.   Regarding claims 3 and 13, the system and method for managing digital

rights over a network as set forth in claims 1 and 11 respectively, wherein upon

initial use of the data card, the user is prompted to initiate the data card by inputting personal identification information and authentication information into the data processor for encryption and storage on the data card is disclosed.

Craig et al teaches the following in regards to claims 3 and 13:

"In another embodiment of the present invention, the user specific information is a user identification. The user identification stored on the access card may be validated and access to the network computer by the user allowed if the user identification is valid." (Col. 4, lines 27-31).

"The network computer may also validate user identification stored on the access card and allow access to the network computer, by the user if it is determined that the user identification is valid." (Col. 4, lines 56-59).

6.   Regarding claims 4 and 14, the system and method for managing digital rights over a network as set forth in claims 3 and 13, wherein the personal identification information includes at least one of user name information, user address information, user gender information, user age information, and user government information is disclosed.

Craig et al teaches the following in regards to claims 4 and 14:

"The user information obtained from the smart card, which may include decryption keys used for accessing smart card data via the smart card's processor, a personal identification number (PIN) and/or password and a user logon identifier name, may then be verified to determine if a valid user is using the network computer (block 304) and if not, then the power management unit 218 would return the network computer to the minimum power state thus

preventing access to the network computer by the unauthorized user." (Col. 7, lines 13-22).

7.   Regarding claims 5 and 15, the system and method for managing digital rights over a network as set forth in claims 4 and 14 respectively, wherein the digital rights information specific to the user includes access rights information and usage right information is disclosed.

See Craig et al's teachings above. Craig et al specifically discloses managing digital rights specific to the using wherein the digital rights include access rights information and usage information.

8.   Regarding claims 6 and 16, the system and method for managing digital rights over a network as set forth in claims 5 and 15 respectively, wherein the application program is further configured to automatically prompt the user to enter the authentication information for comparison with the authentication information stored on the data card, and to authorize the user following a match thereof to access and use the digital content in accordance with the access rights information and the usage rights information is disclosed.

See Craig et al's teachings above. Specifically paragraph 4.

9.   Regarding claims 7 and 17, the system and method for managing digital rights over a network as set forth in claims 6 and 16 respectively, wherein the usage rights information includes at least on of read-only rights, print rights, download rights, save rights, and distribution rights is disclosed.

Craig et al teaches the following in regards to claims 7 and 17:

"The network computer may also include permanent storage such as

Read Only Memory, which may store a URL identifier to identify the server with

which the computer works. The permanent storage may also include a base key

which is used for security purposes." (Col. 2, lines 31-35).

10.   Regarding claims 8 and 18, the system and method for managing digital

rights over a network as set forth in claims 1 and 11 respectively, wherein the

application program is further configured to track subsequent use of the digital

content by the user is disclosed.

Craig et al teaches the following in regards to claim 8 and 18:

"User activity may be tracked or monitored, including transitions between

and time spent in power modes, to establish power management preferences for

a user on the network. The network computer may be activated and deactivated

by the detected presence or absence of the access card or smart card, so that

the access card may act as an intelligent "power on" for the network computer."

(Abstract, lines 22-29).

11.   Regarding claim 28, a data card for allowing a user to access digital right

of digital content over a network, comprising: a memory for storing information

including digital rights information specific to the user; a microprocessor for

processing the information stored on the data card; a communications interface

for transferring the information form the data card to a data card reader; and an

application program resident on the memory and being configured to operate in

conjunction with a universal language for creating and controlling digital rights, to

manage user rights of the digital content available on the network based on the

digital rights information specific to the user is disclosed.

See Craig et al's teachings above.

"In still another embodiment of the present invention, user activity may be

tracked to establish power management preferences for a user. The established

power management preferences may then be stored on the access card. The

user specific information which may be stored on the access card may include

power management activity monitoring enable, power management "screen-

saver" mode enablement and timeout values, power management "suspend"

mode enablement and timeout values, power management power-saving

aggressiveness preference, power management energy level warning levels,

power management battery charging preference, and power management

aggressiveness tuning factors." (Col. 3 and 4, lines 63-8).

Claim Rejections - 35 USC § 103

12.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for

all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described
> as set forth in section 102 of this title, if the differences between the subject matter sought to
> be patented and the prior art are such that the subject matter as a whole would have been
> obvious at the time the invention was made to a person having ordinary skill in the art to which
> said subject matter pertains. Patentability shall not be negatived by the manner in which the
> invention was made.

13.   Claims 2 and 12 are rejected under 35 U.S.C. 103(a) as being

unpatentable over Craig et al (6,260,111) in view of Srinivasan (6,460,076).

14.   Regarding claims 2 and 12, the system and method for managing digital

rights over a network as set forth in claims 1 and 11 respectively, wherein the

digital content includes at least one of e-books, e-magazines, e-newsletters,

software games, digital music, and digital video is disclosed.

Craig et al's teachings are discussed above. Craig et al fails to teach the

digital rights being in the form of one of the following: e-books, e-magazines, e-

newsletters, software games, digital music, and digital video.

Srinivason teaches the following in regards to claims 2 and 12:

"An apparatus and method provides for the downloading and recording of

data files over a data network such as the world wide web. A server connected

to the world wide web includes a data base which includes a number of different

data files such as music, video, and software that it wishes to sell to its

customers. A web page is provided on the server for customers to access and

view the products that are for sale. A system for billing the customers is also

incorporated into the server such that when a system user logs in there is either

a confirmation that the user has an account with the service provider or credit

card information is provided in which charges may be made against. Through

use of the web browser, the system user makes selections and begins the

download of information into a memory in the user interface. Connected to the

user interface is a recorder for recording the information upon a portable media

such as an optical disk. Once the information is downloaded over the data

network into the memory, the plugin in the web browser decompresses an

unencrypts the file and begins the transfer process to the media recorder. Upon

completion of the recording, (a) confirmation message is sent to the server (b) system user is billed for the download. After the billing process is complete, the plugin will delete the file from the computer memory and unlock the portable media so that the system user may play this information on another device." (Abstract).

In view of Srinivasan, it would have been obvious to one of ordinary skill in the art at the time the invention was made, to in addition of having the access card for accessing accounts on a network taught by Craig et al, the access card also allow the user to have access to other types of digital including music, video, etc. Downloading digital data is common in the art. One would be motivated to combine Craig et al's teachings with the teachings of Srinivasan in order to make the access card more versatile. By allowing the access card to also have access to and store digital data such as music or video, the user has more versatility with that card and more information can be stored on it.

15. Claims 9, 10, 19, 20, 21, and 23-27 are rejected under 35 U.S.C. 103(a) as being unpatentable over Craig et al (6,260,111) in view of Risafi et al (6,473,500).

16. Regarding claim 21, a system for managing digital rights of digital content over a network, comprising: a data card which contains user information including digital rights information specific to a user, the data card having a memory component for enabling information to be stored within the data card; a data card reader adapted to access the user information contained on the data

card when the data card is in communication therewith; a data processor in communication with the data card reader and adapted to be connected to the network; and an application program resident on the memory component of the data card, the application program being configured to operated in conjunction with a universal language for creating and controlling digital rights, to manage user rights of the digital content available on the network based on the digital rights information specific to the user which is contained on the data card, to track subsequent use of the digital content by the user, to update an account balance of the user stored on the memory component of the data card for payment of fees for accessing and using the digital content, and to maintain financial information for an owner of the digital content is disclosed.

Craig et al's teachings are discussed above, which include all of the limitations of claim 21 except, Craig et al fails to teach having an account balance and updating the balance of the user.

In addition to claim 21, claims 9, 10, 19 and 20 also contain the limitation of an account balance and updating the balance.

Risafi et al teaches the following in regards to claims 9, 10, 19, 20, and 21, and 23-26.

"The method for using the prepaid card includes purchasing a card issued by an issuer, perhaps through an agent at a retail establishment via an agent terminal, selecting a PIN, selecting the opening account balance, having the card activated at the point of purchase, and, over time, using the card to purchase goods and/or services. The PIN and the card number are transmitted over a

communications network to the card processing center to be stored in an account

file associated with that card number. Also transmitted and stored in the account

file is the amount of value purchased. The balance remaining on the card after a

purchase or purchases are made will be kept in the account file. Unlike currently

available cards which are activated by the card issuer at the time of issuance or

in bulk by the merchant at the time of receipt or by the cardholder by calling a

designated telephone number after purchase, the card according to the present

invention is activated on an individual basis when the card user purchases the

card, making the card more secure prior to purchase. In addition, unlike card -

issuer-activate cards, the card user herein is not limited to purchasing monetary

value in denominations preset by the card issuer. Once activated, the card user

can immediately use the card to make purchases or cash withdrawals, and the

card user can replenish the value on the card at any appropriate terminal

connected to the processing center. Also, unlike card -issuer-activated cards

whose PINs are assigned by the issuer and are thereafter unchangeable, the

method of the present invention does not require the cardholder to accept the

issuer-assigned PIN, allows the cardholder to select a PIN, and allows a

cardholder to change that PIN at any time after the initial selection." (Col. 4, lines

16-47).

17.   Regarding claim 23, the system for managing digital rights over a network

as set forth in claim 21, wherein upon initial use of the data card, the user is

prompted to initiate the data card by inputting personal identification information

and authentication information into the data processor for encryption and storage

on the data card is disclosed.

See Craig et al's teachings in regards to claim 3.

18.   Regarding claim 24, the system for managing digital rights over a network

as set forth in claim 23, wherein the personal identification information includes at

least one of user name information, user address information, user gender

information, user age information, and user government information is disclosed.

See Craig et al's teachings in regards to claim 4.

19.   Regarding claim 25, the system for managing digital rights over a network

as set forth in claim 24, wherein the digital rights information specific to the user

includes access rights information and usage right information is disclosed.

See Craig et al's teachings in regards to claim 5.

20.   Regarding claim 26, the system for managing digital rights over a network

as set forth in claim 25, wherein the application program is further configured to

automatically prompt the user to enter the authentication information for

comparison with the authentication information stored on the data card, and to

authorize the user following a match thereof to access and use the digital content

in accordance with the access rights information and the usage rights information

is disclosed.

See Craig et al's teachings in regards to claim 5.

21.   Regarding claim 27, the system for managing digital rights over a network

as set forth in claim 26, wherein the usage rights information includes at least on

of read-only rights, print rights, download rights, save rights, and distribution rights is disclosed.

See Craig et al's teachings in regards to claim 7.

In view of Risafi et al, it would have been obvious to one of ordinary skill in the art at the time the invention was made, to in addition of the access card accessing accounts on a network taught by Craig et al, also include an account balance on the card and the ability to update the user's account balance through the network. One would be motivated to combine Craig et al's teachings with the teachings of Risafi et al in order to make the access card more versatile. By allowing the access card also access and carry a user account, one would be able to purchase items over the network and add to the balance in order to continue purchasing once the balance has depleted. Additionally, purchasing items with a smart card that keeps a balance and is able to update that balance is well known in the art.

22.   Claim 22 is rejected under 35 U.S.C. 103(a) as being unpatentable over Craig et al (6,260,111) in view of Risafi et al (6,473,500) and in further view of Srinivasan (6,460,076).

Craig et al and Risafi et al's teachings are discussed above.

Craig et al in combination with Risafi et al fails to teach the digital rights being in the form of one of the following: e-books, e-magazines, e-newsletters, software games, digital music, and digital video.

See Srinivasan's teaching above in regards to claims 2 and 12 and the reasons to combine.

Conclusion

23.   The prior art made of record and not relied upon is considered pertinent to applicant's disclosure: Wall et al (6,484,174).

24.   Any inquiry concerning this communication or earlier communications from the examiner should be directed to *Allyson Sanders* whose telephone number is (703) 305-5779. The examiner can normally be reached between the hours of 7:30AM to 4:00PM Monday thru Friday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Michael G. Lee, can be reached on (703) 305-3503. The fax phone number for this Group is (703) 308-7722, (703) 308-7724, or (703) 308-7382.

Communications via Internet e-mail regarding this application, other than those under 35 U.S.C. 132 or which otherwise require a signature, may be used by the applicant and should be addressed to [**allyson.sanders@uspto.gov**].

All Internet e-mail communications will be made of record in the

application file. PTO employees do not engage in Internet communications

where there exists a possibility that sensitive information could be identified or

exchanged unless the record includes a properly signed express waiver of the

confidentiality requirements of 35 U.S.C. 122. This is more clearly set forth in the

Interim Internet Usage Policy published in the Official Gazette of the Patent and

Trademark on February 25, 1997 at 1195 OG 89.

Any inquiry of a general nature or relating to the status of this application

or proceeding should be directed to the Group receptionist whose telephone

number is (703) 308-0956.

Diane I. Lee
Primary Examiner
GA U 2876

Allyson Sanders
Patent Examiner
Art Unit 2876
February 7, 2003